Background Quality Report: UK Annual Property Transactions

Dimension	Assessment by the author
Introduction	***Context for the quality report.***
	'Annual Property transactions completed in the UK with value £40,000 or above' is a yearly publication by HM Revenue & Customs (HMRC). It presents aggregate yearly counts of the number of residential and non-residential property transactions that have taken place in a calendar year, broken down by UK country. It also shows the values of those transactions. This is presented in three tables (T16.1, T16.2 and T16.4) using different category breakdowns. T16.3 is no longer produced. The data is based upon the date each transaction was completed. The statistics are derived from HMRC's Stamp Duty Land Tax database which records information from the Land Transaction Return. These returns are completed or submitted online whenever an interest in real or leasehold property in the United Kingdom is transferred on sale, or a notifiable lease is granted. Not all property transactions are captured in the database. From March 2008 transactions where the chargeable consideration is less than £40,000 do not need to be notified to HMRC. Other exceptions include transfers in connection with divorce which meet conditions and grants of leases of less than 7 years. The database contains information back to April 2005.
Relevance	***The degree to which the statistical product meets user needs in both coverage and content.***
	The annual publication is primarily used by media, commentators and analysts to gain insight into the housing market. It is also used by analysts and other government departments to examine trends and the impact of policy decisions and economic conditions. The statistics are split into the residential and non-residential property market, range of price, and by government office region. This latter split is particularly relevant as the housing market is highly regionalised. Users are able to view the tables on the website for the most recent three calendar years. Older tables are available on the National Archives site.
Accuracy and Reliability	***The proximity between an estimate and the unknown true value.***
	The statistics are based on administrative data used by HMRC to run its business (collecting tax). They are therefore accurate and timely, and provide a good indicator of the number of property transactions in the UK. The main quality issues are around

	completeness of information as much of the data is based on returns. Transactions are only recorded where a tax return has been received so it will miss those situations where a return is not completed or required (e.g. tax avoidance and evasion activity). It also records no transactions where the consideration (i.e. the price) is less than £40,000. The returns can take some time to be sent to HMRC and processed. However, by the time of publication almost 100% of returns will have been received. A further source of inaccuracy is that a proportion of records in the SDLT database do not contain the necessary geographical information to be classified within the published country breakdown. These records are apportioned across the UK's constituent countries on a pro-rata basis to ensure the UK total is consistent but this is a source of significant uncertainty. Finally, there are likely to be some inaccuracies in the data due to reporting or keying errors, such as misclassification between residential and non-residential, between regions or misreporting of the transaction value. The latter can cause particularly large errors if left uncorrected. However, the dataset is cleansed and filtered through both automated data feeds and manual checking prior to use. To reflect the inaccuracies inherent in the dataset, particularly around the missing geographical data, the published estimates for transaction counts are rounded to the nearest 1000, with values rounded to the nearest £ million.
Timeliness and Punctuality	***Timeliness refers to the time gap between publication and the reference period. Punctuality refers to the gap between planned and actual publication dates.***
	The release timetable is designed to provide users with the best balance of timeliness and accuracy. The publication timetable for this year's release was stated in last year's publication and the date was strictly adhered to. The statistics are published at the end of June each year showing data from the previous calendar year. The delay in publication is to allow time for most Land Transaction Returns to be submitted and for thorough data cleansing.
Accessibility and Clarity	***Accessibility is the ease with which users are able to access the data, also reflecting the format in which the data are available and the availability of supporting information. Clarity refers to the quality and sufficiency of the metadata, illustrations and accompanying advice.***
	The statistics are published free of charge on the HMRC website, which aims to be accessible to all its potential users. HMRC provides advice and information about accessibility here:

	HMRC Accessibility The publication is available in both Excel and PDF. The publication includes contact details (both email and telephone) for sending queries and feedback to the production team. The statistics are taken directly from the source data that is collected for administrative purposes with little manipulation between source and publication. Our publications directly reflect the tax system definitions (of which users are aware) and therefore the administrative data are an accurate and relevant data source.
Coherence and Comparability	***Coherence is the degree to which data that are derived from different sources or methods, but refer to the same topic, are similar. Comparability is the degree to which data can be compared over time and domain.***
	The annual property transaction tables are consistent with other HMRC outputs on departmental performance, such as the annual report and the Trust Statement, although our publications go to a greater level of detail. The data is derived from a single source and thus there is no issue of incoherency. It is the same data source as is used for the other property and stamp duty statistics on the HMRC website. All our geographic breakdowns are done according to standard units, so regional breakdowns will be comparable with other published statistics. Furthermore, all definitions within our data (such as type of property etc) are governed by the tax system, which is embedded in users understanding of the market. They are therefore commonly understood by the user. A coverage change was made in 2008, whereby transactions for values less than £40,000 were no longer required to make a Land Transaction Return. The published time series were revised back to 2005 at this time to ensure all data was on a consistent basis. Data prior to 2005 was collected on a different basis to the SDLT database. It was based upon survey rather than administrative data from the Survey of Property Transactions, which only covered England and Wales. This historic time series is therefore not comparable to the data published in the current property transaction publications. In terms of comparability, changes and trends of transactions and values over time were assessed, especially for the latest two years and inconsistencies checked and verified.

Trade-offs between Output Quality Components	***Trade-offs are the extent to which different aspects of quality are balanced against each other.***
	The statistics are produced and released according to a pre-announced timetable: Annual plan for 2012-13 The primary trade-off is in respect of timeliness and accuracy and allocation of missing transactions. The timetable for publication is designed to provide users with the best balance of timeliness and accuracy. At the time of production of the publication every year, some records will still be incomplete. As a result, the latest two years are revised to capture missing numbers from last publication. Secondly, a further source of inaccuracy is that a proportion of records in the SDLT database do not contain the necessary geographical information to be classified within the published country breakdown. These records are apportioned across the UK's constituent countries on a pro-rata basis to ensure the UK total is consistent but this is a source of significant uncertainty.
Assessment of User Needs and Perceptions	***The processes for finding out about users and uses, and their views on the statistical products.***
	The publication includes contact details for sending feedback to the production team. Informal consultations are conducted when appropriate, for example when changing the provision or coverage of the published data, or revising the methodology used. These will generally involve contacting known users of the published statistics to ask specific questions or request feedback. These questions would also be published on the website adjacent/linked to the publication in order to capture users with whom we have had no previous contact. The results of user consultations would then be published on the website. The latest consultation took place in 2008 and the results can be found alongside the most recent publications.
Performance, Cost and Respondent Burden	***The effectiveness, efficiency and economy of the statistical output.***
	All published tables use HMRC administrative data so there are no explicit costs of production. Much of the data would be produced regardless of publication for internal monitoring and policy development purposes. Data is collected from Land Transaction Returns, which are completed in order to comply with the UK's Stamp Duty Land Tax regime.

	HMRC's pricing policy can be found here: HMRC Pricing Policy
Confidentiality, Transparency and Security	***The procedures and policy used to ensure sound confidentiality, security and transparent practices.***
	This publication follows HMRC's policy in relation to confidentiality, details of which can be found here: Confidentiality and Access All persons that have pre-release access to the published data (aside from the production team) are listed on the HMRC website: Pre-Release Access The data is held in secure server. To ensure sound confidentiality, access is only granted to those who require it for business purposes only.